

TEACHERS' RETIREMENT BOARD  
BENEFITS AND SERVICES COMMITTEE

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SUBJECT: Level of Service Standards                      ITEM NUMBER: 7  
ATTACHMENT(S): \_\_\_\_\_  
ACTION: \_\_\_\_\_                      DATE OF MEETING: April 2, 1998  
INFORMATION: X                      PRESENTER: Mr. Carter

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**EXECUTIVE SUMMARY**

**Background**

The Level of Service report provides the Benefits and Services Committee with the necessary information to fulfill its oversight responsibility regarding the administration of the delivery of benefits and services to STRS members. Accordingly, this report covers the degree to which statutory work standards are being met, other statutory requirements (i.e., interest payments) and a report by program which contains production objectives, measures and "major initiative" updates. Program specifics are available in the individual reports. Following are the highlights of activity for February 1998.

**Highlights**

1. Fiscal Year Allowance Roll

STRS paid a total of 154,410 benefit recipients \$239,767,696 in February 1998. The average monthly Allowance Roll for FY 1997/98 is \$237,815,770. Total disbursements for FY 1997/98 to date are \$1,902,526,159.

2. Benefit Processing

A. Application Volume: The overall volume of incoming applications and notifications received during this fiscal year are relatively the same as this time last fiscal year.

- B. Initial Payment Processing (Goal - 100 percent): Service Retirement met their goal of processing 100 percent of their initial payments within 30 days. Disability met their goal of processing 100 percent of their initial payments within 10 days. Both programs achieved their "Initial Processing" goals for February 1998.
- C. Final Roll Processing: Service Retirements completed 98 percent of all final payments within 45 days of receipt of all necessary information, almost achieving the newly established 100 percent goal. Disability achieved their goal of processing 100 percent of all finalizations within 45 days.
- D. Application Processing: Survivor Benefits processed 99.5 percent of all applications within 45 days of receipt of all necessary information, surpassing the program's established 95 percent goal. Disability Services processed 100 percent of all eligible applications within 180 days of receipt of the application.

3. Services

**During the month of February the average queue time was only 51 seconds.** The PSO service objective to handle 95 percent of all calls on the first contact was met in February. Staff answered 90 percent of correspondence within ten days meeting the newly established 90 percent goal. The newly established service goal to answer 95 percent of all technician-assisted calls within 3 minutes (increased from 75 percent to 95 percent) is close to being met. PSO reached 91 percent, just four percent shy of the goal.

4. Interest Payments

The total interest payment volume for February 1998 decreased 67 percent as compared to February of the previous year. The dollar amount of interest issued to payees decreased 57 percent.

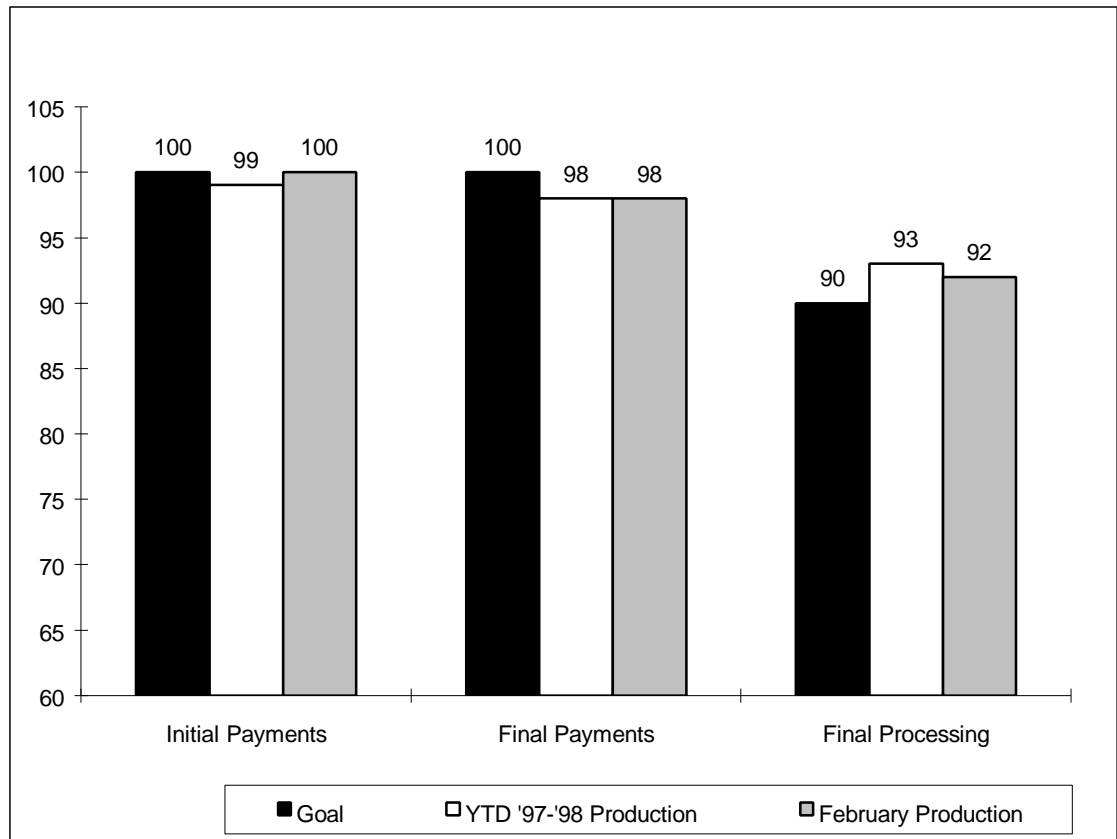
5. Outstanding Survivor Benefit Cases

The Education Code requires a report to the Board on outstanding survivor benefit cases not paid within six months of the notification of death. As of February 1998, there were 94 cases exceeding this threshold. In January 1998, there were 106 cases beyond the six-month processing period, while in December 1997, there were 94 cases exceeding the six-month threshold.

## SERVICE RETIREMENTS

### I. 1997-98 Production Objectives

- A. Initial Payments: Process 100 percent of all service retirement application payments within 30 days of the effective date of retirement or receipt of completed application, whichever is later.
- B. Final Payments: Complete 100 percent of all final service retirement payments within 45 days of receipt of all necessary information.
- C. Finalize 90 percent of all service retirement payments within four months of the retirement effective date.



**II. Measures**

Type	(1) Bench- mark 90/91	(2) July- February 96/97	(3) July- February 97/98	% of Change $\frac{(3)-(2)}{2}$	February 1998
Retirement Applications	8,167	2,310	2,732	+18%	437
Applications /Months	681	289	342	+18%	-----
Interest Payments (#)	1,070	228	193	-15%	14
Interest Payments (\$\$)	\$9,779	\$2,143	\$865	-60%	\$148
Golden Handshake Districts	529	146	158	+8%	12
Golden Handshake Participants	646	127	176 <sup>1</sup>	+39%	34

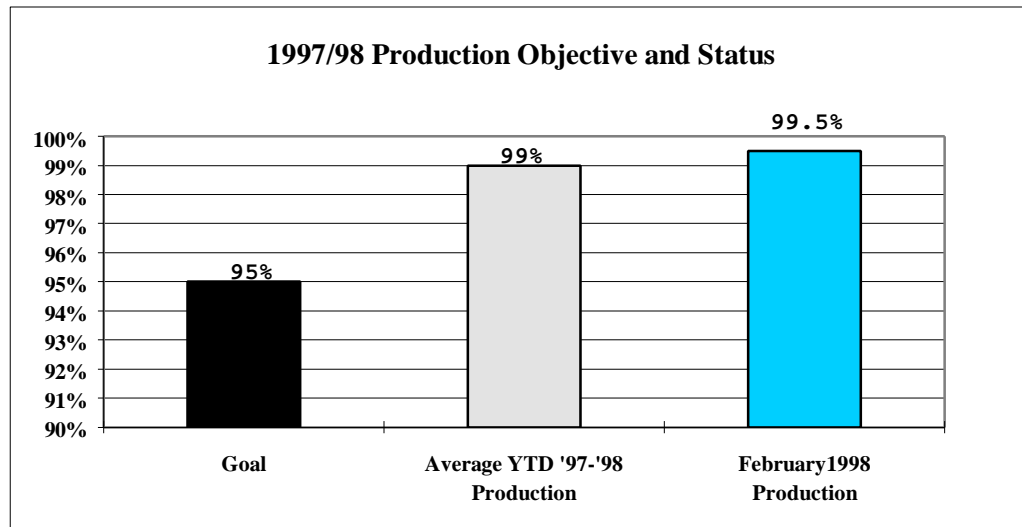
**III. Major Initiatives****Retirement Incentives**

**A. One-year Final Compensation:** Since 1990, thirty-one school districts, including five Community College Districts, have offered the incentive of one-year final compensation to 282 retired members. During the current fiscal year, one school district has chosen to participate in this program.

<sup>1</sup> The method of collection for tracking the number of Golden Handshake Districts and participants has been modified to reflect the FY of the retiree's effective date rather than the receipt date of Golden Handshake documentation.

## SURVIVOR BENEFITS SECTION

- I. 1997-98 Production Objective:** Process 95 percent of all applications within 45 days of receipt of all necessary information.



**II. Measures**

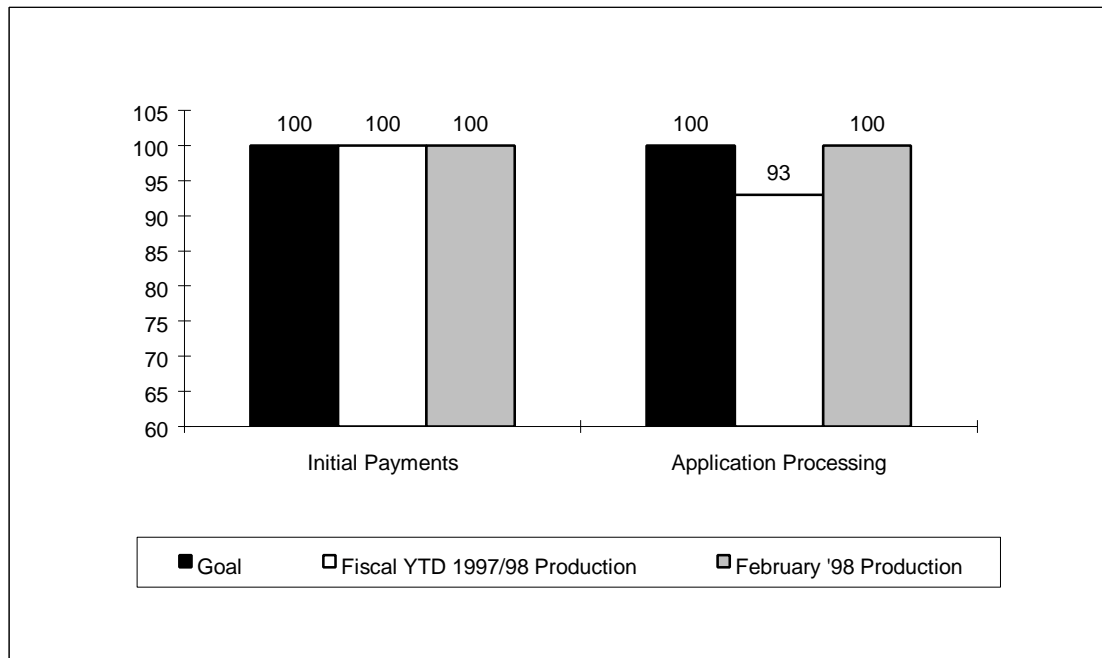
Type	(1) Bench- mark 90/91	(2) July - February 96/97	(3) July - February 97/98	% of Change $\frac{(3) - (2)}{(2)}$	February 1998
Death Notifications	3,948	3,547	3,176	-10%	508
Cases Completed	3,627	3,915	3,366	-14%	622
Average Cases Completed Per Month	302	489	417	-15%	417
Interest Payments (#)	2,360	360	123	-66%	21
Interest Payments (\$)	\$78,252	\$26,717 <sup>2</sup>	\$11,459	-57%	\$1,733

<sup>2</sup> Research in February 97 revealed numbers used previously were incorrect and amendment was made at that time.

## DISABILITY SERVICES

### I. 1997-98 Production Objectives

- A. Initial Payments:** Process 100 percent of all initial payments within ten working days of receipt of all necessary information.
- B. Application Processing:** Process 100 percent of all disability applications within six months from receipt of applications, while maintaining an average processing time of three months per case.



**II. Measures**

Type	(1) Bench- mark 90/91	(2) July- February 96/97	(3) July- February 97/98	% of Change $\frac{(3)-(2)}{(2)}$	February 1998
Disability Applications	500	377	333	-12%	52
Disability Apps/Months	41.6	47	42	-11%	55
Continuing Qualifications <sup>3</sup> Roll Removals	24	41	25	-39%	1
Rehabilitation <sup>4</sup> Roll Removals	16	16	19	19%	1
Rehabilitation Participants	119	142	N/A	N/A	131
Independent Medical Exam(#)	632	262	260	-.01%	31
Independent Medical Exam(\$)	\$443,020	\$141,335	\$146,323	+.04%	\$18,224
Independent Vocational Exam(# Active)	N/A	953	768	-19%	86
Independent Vocational Exam(\$)	\$405,596	\$375,069	\$322,323	-14%	\$40,951
Interest Payments (#)	6	0	5	0%	0
Interest Payments(\$)	\$1,405	0	\$96.13	0%	0

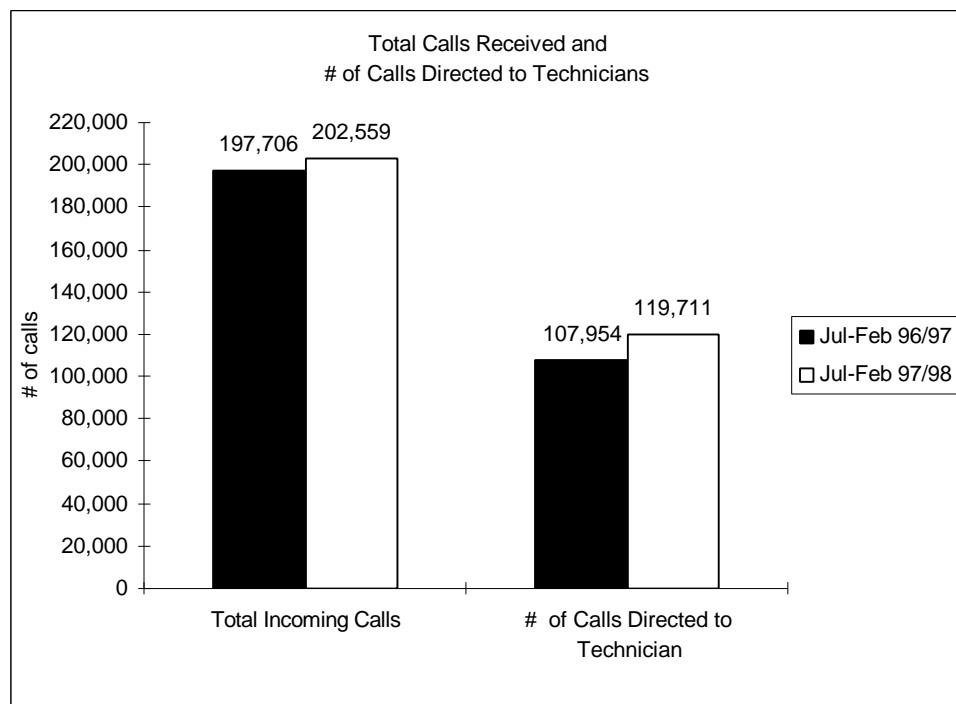
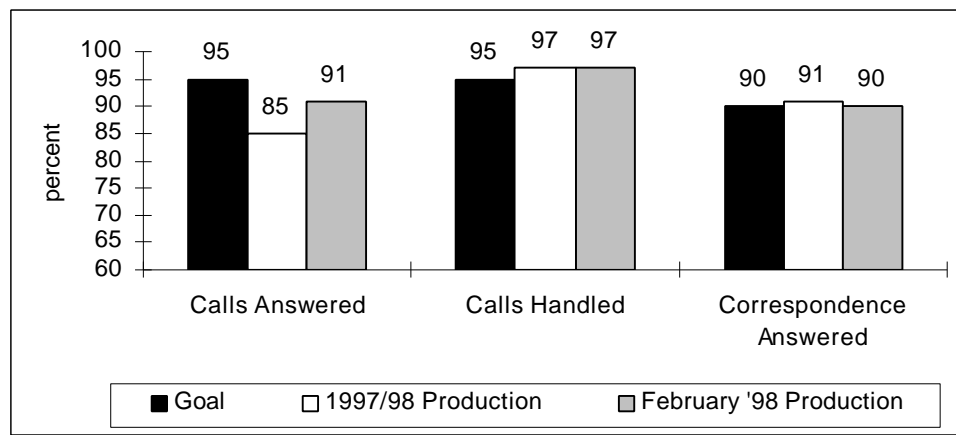
<sup>3</sup> The CQ Program monitors the member's earnings, OPS and medical condition for continued eligibility to receive benefits.

<sup>4</sup> The Rehabilitation Program provides members a variety of services to assess current capabilities and limitations with the goal of obtaining comparable level employment.

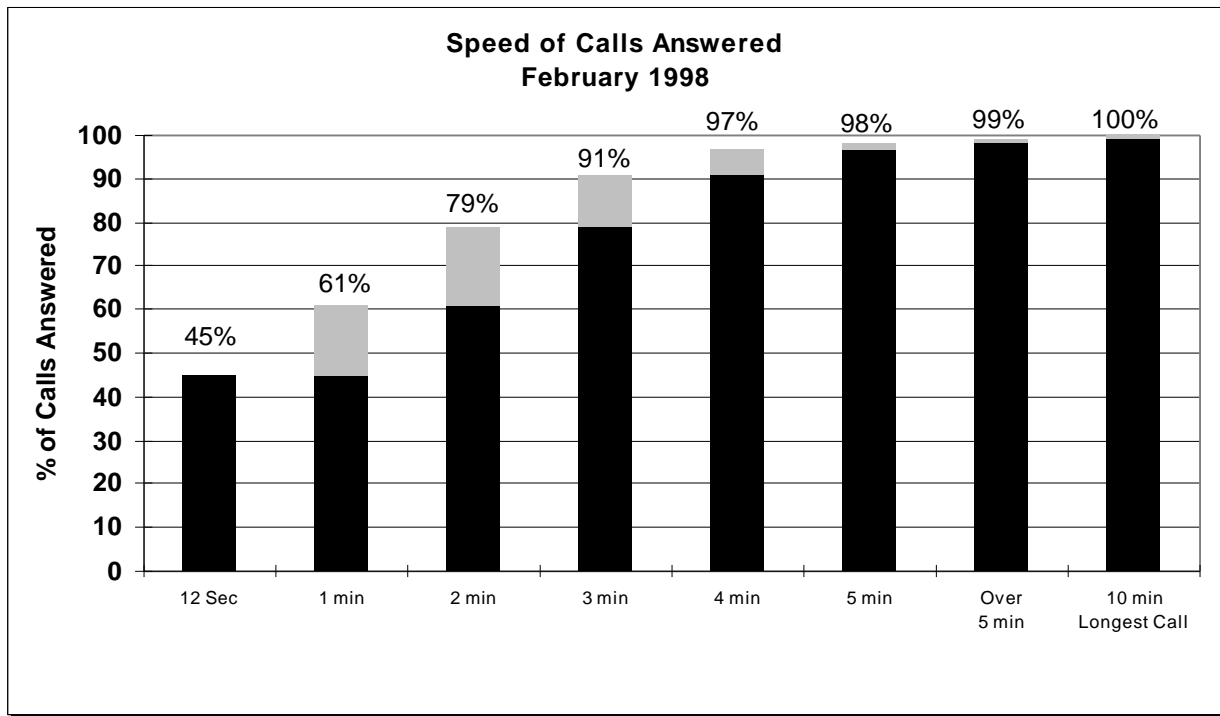
## PUBLIC SERVICE

### I. 1997-98 Production Objectives

- A. Answer 95 percent of all calls in less than three minutes.
- B. Handle 95 percent of all calls on the first contact.
- C. Respond to 90 percent of all correspondence in ten working days.







## II. Measures

Type	(1) Bench- mark 90/91	(2) Jul-Feb 96/97	(3) Jul-Feb 97/98	% of Change $\frac{(3)-(2)}{(2)}$	February 1998
Total Incoming Calls	195,858	197,706	202,559	2.45%	26,491
Technician Calls	117,913	107,954	119,711	10.9%	14,664
Automated Attendant Calls	31,895	59,522	53,868	-9.5%	8,969
Teletalk Calls	46,050	30,230	28,980	-4.13%	2,858

## III. Major Initiatives

Total calls coming into the Public Service Office were up almost three percent compared to last fiscal year. This difference can be attributed to the increase in calls handled by the PSO technicians. Calls handled by the PSO technicians were up by 11 percent over the same time period.